



# PRESS RELEASE

Federal Deposit Insurance Corporation • Each Depositor insured to at least \$250,000

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## **Liberty Bank and Trust Company, New Orleans, Louisiana, Assumes All of the Deposits of Home Federal Savings Bank, Detroit, Michigan**

FOR IMMEDIATE RELEASE

Home Federal Savings Bank, Detroit, Michigan, was closed today by the Office of Thrift Supervision, which appointed the Federal Deposit Insurance Corporation (FDIC) as receiver. To protect the depositors, the FDIC entered into a purchase and assumption agreement with Liberty Bank and Trust Company, New Orleans, Louisiana, to assume all of the deposits of Home Federal Savings Bank.

The two branches of Home Federal Savings Bank will reopen during their normal business hours as branches of Liberty Bank and Trust Company. Depositors of Home Federal Savings Bank will automatically become depositors of Liberty Bank and Trust Company. Deposits will continue to be insured by the FDIC, so there is no need for customers to change their banking relationship to retain their deposit insurance coverage. Customers should continue to use their existing branches until Liberty Bank and Trust Company can fully integrate the deposit records of Home Federal Savings Bank.

This evening and over the weekend, depositors of Home Federal Savings Bank can access their money by writing checks. Checks drawn on the bank will continue to be processed. Loan customers should continue to make their payments as usual.

As of September 24, 2009, Home Federal Savings Bank had total assets of \$14.9 million and total deposits of approximately \$12.8 million. Liberty Bank and Trust Company did not pay a premium to assume all of the deposits of Home Federal Savings



Congress created the Federal Deposit Insurance Corporation in 1933 to restore public confidence in the nation's banking system. It promotes the safety and soundness of these institutions by identifying, monitoring and addressing risks to which they are exposed. The FDIC receives no federal tax dollars — insured financial institutions fund its operations.

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Bank. In addition to assuming all of the deposits of the failed bank, Liberty Bank and Trust Company agreed to purchase essentially all of the assets.

Customers who have questions about today's transaction can call the FDIC toll-free at 1-866-782-1969. The phone number will be operational this evening until 9:00 p.m., Eastern Standard Time (EST); on Saturday from 9:00 a.m. to 6:00 p.m., EST; on Sunday from noon to 6:00 p.m., EST; and thereafter from 8:00 a.m. to 8:00 p.m., EST. Interested parties can also visit the FDIC's Web site at <http://www.fdic.gov/bank/individual/failed/homefsb-mi.html>.

The FDIC estimates that the cost to the Deposit Insurance Fund (DIF) will be \$5.4 million. Liberty Bank and Trust Company's acquisition of all the deposits was the "least costly" resolution for the FDIC's DIF compared to alternatives. Home Federal Savings Bank is the 117th FDIC-insured institution to fail in the nation this year, and the third in Michigan. The last FDIC-insured institution closed in the state was Warren Bank, Warren, on October 2, 2009.

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